

ORIGINAL

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

RECEIVED

APR 25 1995

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of)

Unbundling of Local Exchange Carrier)
Common Line Facilities)

RM-8614

DOCKET FILE COPY ORIGINAL

REPLY COMMENTS OF US SIGNAL

US Signal Corporation, parent company of City Signal, Inc., a certificated local exchange provider in Michigan, hereby replies to comments on the petition filed March 7, 1995, by MFS Communications Company, Inc., in which MFS seeks Federal unbundling of local loops in all local jurisdictions which have adopted a policy in favor of competition for local exchange services.

**US SIGNAL SUPPORTS THE PETITION WITH THE
UNDERSTANDING THAT UNBUNDLED LOOPS SHOULD BE MADE
AVAILABLE AT ANY POINT APPROVED BY LOCAL COMMISSIONS .**

US Signal basically agrees with all the comments supporting the petition (see, e.g., Comments of MFS, TCG, Allnet, Sprint, MCI, etc.). There is no question that the availability of unbundled loops at fair prices is essential to the development of effective competition in the local services market. This is particularly true of emerging local competitors like US Signal, who have been forced to deal with contentions that the availability of private line service somehow functions as an adequate substitute for unbundled loops. The Michigan Public Service Commission emphatically rejected this argument in its recent decision in

No. of Copies rec'd
List A B C D E

014

In the Matter of the Application of City Signal, Inc., for an Order Establishing and Approving Interconnection Arrangements with Ameritech Michigan, Case No. U-10647, released February 23, 1995, at p. 54:

"As a new entrant in the local exchange market, City Signal needs the special requirement of unbundled loops to hold itself out to provide service to every customer in its geographic area. Ameritech Michigan is prohibited from refusing that service."

The importance of loop unbundling is so universally recognized that even those parties, such as TCG, which contend that other competitive needs should have a higher priority still recognize the petition's merit: "TCG supports the principle that unbundled local network elements should be made available" (TCG Comments at 3).

The one aspect of the petition which remains unclarified after MFS' comments is the fact the petition seeks loop unbundling only at central offices where FCC-mandated expanded interconnection arrangements exist. In US Signal's opinion, there is no need to limit the availability of unbundled loops to locations where expanded interconnection has been implemented. States which pursue a policy of competition for local exchange services should be free to implement Federal loop unbundling at any point of interconnection they choose. In Michigan, for example, interconnection has already been implemented through Ameritech Michigan tariffs at manholes near central offices (Tariff M.P.S.C. No. 25 R, Original Sheet 17).

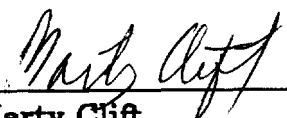
US Signal's believes that limiting loop unbundling to expanded interconnection points is not a necessary part of MFS' petition, but rather an

innocent extension of MFS's legal argument (which is entirely correct, in US Signal's opinion) that loop unbundling creates no issue of Federal preemption where both Federal and state jurisdictions agree on a policy of local competition. Since the preemption issue disappears once the Federal and state policies share their common goal, there is no need to limit a state's use of Federally-unbundled loops solely to expanded interconnection locations.

CONCLUSION

For the foregoing reasons, US Signal requests that the Commission grant the petition with the express clarification that Federally-unbundled loops can be provided at any interconnection point permitted by a state.

Respectfully submitted,



Marty Clift
Director, Regulatory Affairs
US Signal
2855 Oak Industrial Drive, N.E.
Grand Rapids, MI 9506
(616) 224-4359

April 25, 1995

CERTIFICATE OF SERVICE

I hereby certify that on this 25th day of April, 1995, copies of the foregoing Reply Comments of US Signal were served via first class mail on the parties listed on the attached list.


Marty Clift

Manning Lee
TCG
One Teleport Drive
Suite 301
Staten Island, NY 10311

Andrew D. Lipman
Swidler & Berlin, Chartered
Attorney for MFS
Communications Co., Inc.
3000 K Street, N.W.
Washington, DC 20007

Becki Sommi
Eastern Telelogic Corp.
630 Freedom Business Center
Suite 200
King of Prussia, PA 19406

Susan McAdams
Electric Lightwave, Inc.
8100 N.E. Parkway
Suite 200
Vancouver, WA 98662

ITS Inc.*
1919 M Street, N.W.
Room 246
Washington, DC 20554